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POLITICAL AND ECONOMIC TRENDS IN NORTH AFRICA

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INTRODUCTION

Morocco, Algeria, and Tunisia share not only a common French colonial legacy

Obut some basic social and economic problems: rapid population growth, low

Ogricultural productivity, under-industrialization, high levels of unemployment,

Frowing urban sluma, and authoritarian regimes which for varying reasons may

Indicate themselves faced with serious domestic challenges in coming years. All

three have recently experienced some improvement in their national economic

prospects: dramatically so in the Algerian case, modestly but significantly in

Tunisia, so far only marginally in Morocco. While Algeria and Tunisia are on

their way to acquiring significant cadres of educated manpower capable of forming
a class of leaders and managers, Morocco lags behind.

Despite great differences in their domestic political structure and in the style of their regimes, all three countries of former French North Africa appear to share a basic commitment to businesslike relationships with each other and with countries of the outside world, including the United States; the U.S. has been an important source of aid for Tunisia and Morocco and is an important trading partner for all three. More particularly, all three have on the whole maintained relations of special cooperation with France, which for them is a trading partner, a fundamental cultural and educational base, a provider of vital technical assistance, a surplus labor market, and a powerful Mediterranean neighbor.

Among these three countries there has been frequent talk about Maghrib unity, but at no time has there been any serious prospect that in practice this would extend beyond piecemeal arrangements for practical cooperation in selected

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nonpolitical fields, and a general readiness to consult over international questions of common concern. Despite the many bonds of history and culture that link them, there are simply too many respects in which they have evolved in distinct directions, politically, economically, and socially, to make real unification plausible or even particularly attractive to the national leaders and inhabitants.

In this initial draft of the study Libya will not be dealt with except in the few summary lines that follow; an amplified analysis will be included in subsequent drafts.

Libya, though a contiguous Arabic-speaking North African state and therefore worthy of treatment within the confines of the same overall study, stands distinctly apart from the other three in several fundamental respects. Her population is much smaller - roughly two million, compared to Tunisia's sim million, Algeria's 15 million, and Morocco's 16 million - and is less urbanized and less heavily engaged in agriculture; her oil income is vast, and far outstrips her economic absorptive capacity, so that she can easily take care of her internal consumption needs whether she progresses or not; her colonial experience was Italian rather than French, and left a more transient legacy; her international posture, since the 1969 revolution, has been strident and disruptive. In the future Libya is likely to be both a source of international trouble in consequence of her own initiatives, and, as a wealthy but weak society, the object of her neighbors' designs.

Great powers and neighbors alike will have to give careful consideration to two prospects. The first of these is that the pattern already set by President Qaddafi since 1969 will persist, in the form of the adventurous use of surplus money for disruptive pruposes abroad, as an outlet for an ambitious leader bored with the tasks and challenges at home. The second is that some form of political

union, or at least close economic integration, between Libya and either Tunisia or Egypt may be brought about under presently undeterminable future circumstances; it is enough to recall that Libya came to the point of reaching a formal agreement for unity with Egypt in 1972, and again with Tunisia in 1974, and that in each case there were some influential men in Cairo and Tunis who saw good reason to consummate the arrangement. Given the attractions of Libya's resources to her more populous and developed but poorer neighbors, it is not at all inconceivable that at some future time efforts will be made by one or the other to revive the idea of unification, even by the use of force or subversion, or even with the concurrence of a visionary Libyan leader like Colonel Qaddafi. In extreme circumstances in the course of a future international oil crisis. Libya could conceivably find herself threatened with military attack from Western Europe or the United States; and no matter how flatly and sincerely the latter countries may disclaim such intentions at present, this is an eventuality that any Libyan leader must give thought to. In comparison, such dangers make little sense under any imaginable circumstances in the three Maghrib countries to the west.

On the internal front, Libya's need is to use her revenues efficiently to develop agriculture, industry, and education so as to lay a base for economic viability after the oil is depleted, as it may be within several decades. Given her current income, even under conditions of mismanagement, some measure of success seems assured, but it is not clear what class of people will emerge to lead the country and operate the economy, or with what infrastructure available. Libya is certain to continue to be overshadowed in terms of high-level manpower by all her North African neighbors, especially Egypt; and it is likely that in the long run any Egyptian regime will seek ways to tap Libya's wealth, either by intimidation or cooperation.

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II. MOROCCO

Among the four North African states Morocco possesses the most complex society and the most difficult set of internal political, economic, and social problems. Her population of 16 million (in 1973), the largest in the area, includes a Berber minority of about 40% and is also divided between nomadic and settled, mountain and plain, rural and urban, as well as between regional particularisms and between rival traditional political leaderships. Since gaining independence in 1956 from France and Spain she has experienced a continuing atmosphere of political crisis and a stagnating economy; only in the last few years has the latter shown signs of a modest upturn.

Historical background: evolution of monarchical dominance

Several brief observations may be made about the significance of the period of the French protectorate of 1912-1956 (accompanied by a Spanish protectorate over the northern coastal strip). This was a much briefer period of colonial rule than that experienced by Algeria and Tunisia, and it was superimposed over an indigenous political system that had ancient roots and which the French encouraged and manipulated for purposes of their own. This indigenous system was presided over by the Sultan, heir to the Alawite dynasty dating from 1666 which had (unlike its other North African counterparts) been untroubled by the Ottoman Empire and maintained its own full sovereignty. However, the Sultan had traditionally governed not through an undisputed central control but by juggling quasi-feudal interests, suppressing provincial dissidents, and relying on his considerable religious prestige to exercise a patrimonial arbitration among various segments of his society.

The French themselves capitalized on the divisions within the society,
pacifying the rural areas by military means and then seeking to placate provincial

clans and leaders by offering them renewed status under French patronage. The traditional royal court and the vizierial cabinet (makhzen) of the Sultan were left intact, with the Sultan as a useful national figurehead acquiescing in French rule, while the major responsibilities of government such as internal security, defense, finance, and economic affairs were taken over by the French under the authority of their Governor General. An important modern commercial and agricultural sector sprang up in the hands of French settlers, who by 1956 numbered some 350,000.

Unlike the situation in Algeria, Moroccan political and social institutions were preserved, which meant that traditionally privileged classes remained intact, notably the commerically and culturally dominantArab bourgeoisie of the cities of Fez and Rabat and the Berber tribal notables of the countryside. like the Tunisian case, however, internal social evolution was very slight and the social elites were neither infused with fresh blood by upwardly mobile lower groups nor did many of them receive modern French education or gain access to modern administrative and professional careers. Government employment came to be overwhelmingly French; in 1945 Moroccans occupied only 26% of 20,492 administrative jobs, mostly at the bottom of the scale. Likewise, between 1912 and 1955 only about 1,000 Moroccans completed modern secondary schools and obtained the French baccalauréat. 1 Furthermore, among those who did receive French education, urban Arabs in the great majority of cases attended one set of schools in Fez and Rabat, while the sons of Berber notables attended another, thus deepening previous social cleavages. A number of sons of rural families, mainly Berber, attended the French military academy at Meknes and were to remain markedly loyal to France until the moment of independence.

The urban Arab educated elements, both the beneficiaries of French education and those continuing to attend traditional Islamic schools such as the Qarawiyin mosque-university in Fez, combined to form the backbone of the national independence movement in the 1940's and 1950's, the Istiqlal ("Independence")

Party. By the 1950's they found increasing encouragement from Sultan Mohammed V, a process which culminated in the French authorities deposing and exiling the Sultan with the help of a number of provincial Berber lords. When the French found themselves constrained to bring back the Sultan in 1955 and grant independence in 1956, the Sultan (henceforth re-titled King) found himself a national martyr with unprecedented prestige.

Mohammed V sought for a number of years to share his authority in newly independent Morocco with both the Istiqlal and other leaders, but unprepared as he was to see his monarchical role reduced to that of a constitutional figure-head, and unwilling as the Istiqlal leaders were to accept a tame role as royal viziers in modern guise, an impasse developed. In 1959 the Istiqlali Prime Minister Abdullah Ibrahim joined a group of young secularly minded intellectuals and trade union leaders to break away from the Istiqlal and form the Union Nationale des Forces Populaires (UNFP), charging the rump Istiqlal (largely the more traditionally minded elements) with excessive caution, compliance with the Palace, and disinterest in social reform.

Political evolution under Hassan II

King Moranmed V's death in 1961 brought to the throne his French-educated son Hassan II, who was to seek in succeeding years more vigourously than his father to strengthen and consolidate the grip of the monarch over national affairs in the face of party competition, though without the advantage enjoyed by his father as a nationalist hero.

In 1962 Hassan introduced a constitution, approved by referendum in December. Meanwhile, to organize a base of support for himself, he encouraged

Constitutionnelles (FDIC), as well as a conservative Berber party, the Mouvement Populaire. The FDIC, representing the proposition that in socially fragmented Morocco a strong monarchy was needed to arbitrate among competing groups and to prevent undue power from gravitating into the ambitious hands of the Istiqlal and UNFP, was able to win only a disappointing 69 of 144 seats in the parliamentary elections, a plurality but not a majority; the Istiqlal won 41, the UNFP 28, and independents 6. A wave of repression against the UNFP followed: 130 of their number, including 21 parliamentary members, arrested in July 1963 and 10 sentenced to death the following March for allegedly plotting to overthrow the King. A series of cabinets rose and fell, none commanding firm parliamentary support; the FDIC underwent an internal split; a series of riots and strikes eventually led the King in June 1965 to declare a state of emergency, reissolve parliament, support the constitution, and assume all powers.

The principal leader of the UNFP, the radical reformist intellectual Mahdi
Ben Barka, who had been sentenced to death in absentia in 1963, was abducted and
murdered in Paris in October 1965, and at length a French court formally laid the
guilt at the feet of the Moroccan Minister of Interior, General Mohammed Oufkir,
causing a diplomatic crisis between the two countries which was to persist for
several years. Other disturbances in Morocco followed; in 1967 Mahjoub Ben Siddik,
Secretary General of the Union Marocaine de Travail, the large and influential
labor federation, was imprisoned for criticising the government, and in 1968
43 other UMT leaders were arrested. Periodic student strikes, police seizures of
newspapers, and arrests followed.

In the summer of 1970 the King introduced a new constitution, providing for significantly stronger monarchical powers than its predecessor of 1962, which in the words of a French analyst "returns to a quasi-absolute monarchy which it

attempts to camouflage behind the appearance of a national pseudo-representation."

The Istiqual and UNFP, viewing the new constitution as a device to legitimize the King's campaign to emasculate or suppress them, formed a common front to oppose the ratification of the constitution and to boycott the new parliamentary elections, but they were unable to prevent the authorities from orchestrating an overwhelming favorable referendum and the election of a new parliament under virtually total royal control. These institutional developments made little difference in the governance of the country, which continued to be dominated by the King through the medium of a roster of loyal "independent" politicians, a tight system of police security managed by Gen. Oufkir, and, in the background, a presumably loyal corps of army officers.

However, in July 1971 a bizarre attempt was made against the King when a group of military cadets attacked the summer palace on the occasion of the King's birthday celebration, massacring 98 guests; the King survived, regained control with the help of Gen. Oufkir, summarily executed ten high-ranking officers, and purged others. A year later, in August 1972, a second attempt followed: air force units attempted to shoot down a plane on which King Hassan was returning from a trip abroad. This time none other than Gen. Oufkir himself was implicated and either committed suicide or was shot; an additional eleven officers were subsequently executed. The King appointed his brother-in-law, Ahmad Osman, to the Prime Ministry. In 1973 and 1974 a series of treason trials led to more sentences of death and imprisonment, in connection with guerrilla operations in the countryside allegedly organized by UNFP leaders and the Libyan government. The UNFP was banned in March 1973.

Despite these and other incidents of violence and repression, curiously enough, a degree of independent political activity and expression of opinion has continued to be tolerated, in keeping with constitutional formalities. The

King announced plans for the election of a new parliament by October 1975, and made other accompanying gestures of liberalization, e.g., sending the Communist leader Ali Yata off on a diplomatic mission to Eastern Europe as his official representative. The prospect of elections hastened a split within the ranks of the UNFP as the Rabat members, led by Abderrahmane Bouabid and Mohamed Lahbabi reconstituted themselves under the new title of "Union Socialiste des Forces Populaires" (USFP); meanwhile the Casablanca faction under Abdullah Ibrahim retained its old name of UNFP. These groups, the Istiqlal, and others, early in 1975, took to debating urgently among themselves over the conditions they would require in order to participate in the elections and what issues they could each hope to turn to their advantage.

It remains to be seen what will really come of the King's gestures of "liberalization," but the mere effort on his part to soften his stance

and to major official respect, though much a have been drained away by a protonged period of opposition; individual redical leaders, such as they observe political gatherings his situation undoubtedly reflects a certain official realism, recognizing that the traditional pluralism of the national society which the King seeks to maintain in order to assure his own role as patrimonial arbiter, ⁵ necessarily carries with it some emerging modern elements of pluralism as well. In other words, an excessively systematic repression of organized labor, for and UJFP instance, or the membership of the UNFPA would threaten to make waves successively unsettling other groups to which they have direct or indirect links - the Istiqlal, the urban middle and privileged classes, eventually public figures on whose loyal cooperation the King depends and whom he needs to counterbalance rural elites, military officers, etc. It was perhaps partly in order to prevent growing disaffection in such directions, and maintain credibility with elements in all sections of the political spectrum who share a conservative sense of social Prior to his promise of elections, propriety, that in recent years, the King has coupled his purges of dissidents . with attacks on corruption within the governmental establishments and jailed a number of former high officials.

Economic and social developments

The political stalemate in which Morocco has been caught since independence, and the preoccupation of the monarch with establishing his own predominance among competing political and social elites, has at least until recently made it impossible for the government to develop the sense of priorities and enact the kind of reforms necessary for serious social and economic progress. In Algeria

after 1962 there were no strongly entrenched indigenous privileged groups, and it took only Boumediene's eventual consolidation of power to open the way to a reassive technocratically led development program. In Tunisia the predominance of the Neo-Destour, from its beginnings a strongly reformist movement, assured an important (if moderate) momentum for directed social change after 1956. In Morocco, by contrast, the thrust of reformist commitment has been largely limited to the Istiqlal and its offshoot the UNFP, who posed too much of a challenge to the jealously guarded authority of a traditional monarch to receive an open mandate. Even the termination of the privileged position of French commerical and agricultural interests implied the threat that a momentum for further reform would be unleashed, excessively to the credit of the nationalist parties, since programs would have to be mounted not only to dismantle French interests but perhaps also to reorganize them as the nucleus of a Moroccan state sector.

Thus, for example, by the late 1960's half of the former French agricultural properties were still in French hands, the other half having largely found its way into the possession of a few privileged Moroccans. Thus also, between agricultural and commercial and industrial income, it was estimated in the 1960's that one-third of the income of foreigners was being transferred abroad, under Morocco's very liberal financial regulations, vastly outweighing the flow of investment capital into the country. Meanwhile, in roughly the same period it was estimated that although agriculture contributed 30% of national income, only 2.6% of total taxes were collected from this source.

Successive governmental development programs in the post-independence period failed to increase the rate of investment in the national economy above its initial low level of about 12%, nor to increase the Gross National Product at more than approximately 3% per year, about the same rate as that of population growth, despite much more ambitious targets. Plans to develop agriculture

through irrigation and state investment foundered in 1962 with the resistance not only of private landowners but of local government officials reluctant to countenance reforming initiatives outside their own control. By 1970, to be sure, a million hectares had been brought under irrigation, but opposition critics charged that in the absence of land reform, a privileged minority of large landownders monopolized the benefits.

Under these circumstances, according to one report, per capita, income actually declined from 1958 to 1967 from \$205 to \$185; according to another source published in 1972, per capita income stood at \$190, but for 90% of the population it remained as low as \$80 to \$90.8 The latter source also reported unemployment rates of 20-30% in the cities and about 40% in rural areas; the 1968-1972 Five Year Plan itself envisaged a growth of unemployment, including an increment of 100,000 in rural areas.

Again, in stark contrast to the impressive investment in public education in Tunisia and Algeria since independence, the percentage of Moroccan enrolled in elementary schools is alleged to have actually declined from 50% in the early and mid-1960's to 35% in the early 1970's; only 16% of all children, according to the same source, reach the sixth grade, and only one out of a thousand at present rates will graduate from a university. Another source in 1974 placed primary school attendance at 42%, and literacy at 23.5%.

Some of the above figures, which are not well documented, may be too low, 11 and in any case there are some recent indications of a significant upturn in the Moroccan economy and of greater governmental determination to produce changes.

Moroccan government figures report that from 1968 to 1972 the Gross Domestic Product increased at an average annual rate of 5.7%, well above the rate of 4.3% targeted in the Plan for that period. This rate is targeted to increase to 7.5% under the 1973-77 Plan. 12

The 1973-77 Plan assumes a significant increase in the role of the State. The public sector contribution of investment is to total \$2.8 billion, double that of the previous Plan, or 42% of the total; the public sector is to play a leading role in the Moroccanization of foreign business; the government is to press programs of public health, housing, expanded technical education, tax and tariff reform, etc.

Foreign-owned agricultural land was finally expropriated by the State under the terms of a decree in March 1973, paving the way for the distribution of 400,000 hectares to small farmers and the expansion of a cooperatives program. Concurrent programs of village services, unemployment relief, extension services, etc. round out the picture. At the same time another decree "Moroccanized" numerous commerical enterprises, requiring that they be at least 50% owned by Moroccans. In these and other areas of reform, much remains to be seen about the degree and manner of implementation, in view of past performances and of the numerous possibilities of deviation under the pressure of private interests.

Morocco's phosphate industry is the most promising source of overall economic growth. With 16 million tons of sales in 1973, Morocco is the world's largest phosphate exporter, and with a 450% boost in prices in 1973-74 phosphates have risen to 48% of total exports in 1974. Major investments in expansion of production are planned: \$524 million under the 1973-77 Plan, or 10% of total national investment; 13 with the price increase, unforeseen in the original Plan, this figure may increase, and with it the projected increase of production of 12-13%. On the other hand, this windfall is offset by the simultaneous steep rise in the price of oil, which Morocco must import as she produces only negligible quantities, and by the disastrous effects of drought on the country's agriculture in the past two years.

With a number of events in the past few years pointing in the direction of reform and progress - the King's attack on corruption, Moroccanization of

foreign land and business in 1973, new programs and public investments promised in the 1973-77 Development Plan-one would like to hope that a corner has been turned. A comparison with the case of Iran over the last dozen years may suggest at least the possibility that a royal regime, embedded in a great network of special interests and corruption, uncertain of its authority and faced with deepening hostility from traditional nationalists and the newly educated sector of society, may somehow succeed in finding the path to fundamental reforms, and in the process to altering and expanding the base of its political support.

Without going into detail, it should quickly be said, however, that the Shah of Iran has enjoyed several advantages over his Moroccan counterpart that may be decisive. One is the much higher level of education in Iran, which, despite the defection abroad of many university graduates and the political disaffection of others, has provided the government with the elements of a technocracy and a sizeable army of lower-echelon administrative personnel, which Morocco does not possess. More particularly, even before the jump in world oil prices, Iradian oil tevenues were substantial enough to provide capital for an ambitious long-run development program, absorbing the career aspirations of many people and creating major sources of wealth and power in society to counteract the traditionally entrenched privileges and prestige of the landowning class. In the Moroccan case, it remains to be seen what King liassan will find in the way of new financial and social support for his regime, even if he commits himself to a "revolution from above." In the absence of these resources, his commitment seems implausible and his own conspicuous position of privilege must continue to stand as an anomaly, and thus an invitation to ongoing disaffection, within Moroccan society.

LIT. ALGERIA

Algeria has made remarkable progress in overcoming the very severe handicase she faced at the moment she became independent in July 1962. In most respects she now annears to face a bright future over the coming several decades, in comparison to all three other North African states and much of the rest of the Third World. She has the promise of becoming a major African industrial power, a prosperous and active international trader, and—less certainly—a politically stable society. Her chief internal problem will continue to be that of the poverty of the majority of the population, and externally it remains to be seen where her militant posture on certain international issues will lead her.

Historical background: the colonial legacy and the Ben Bella regime

132 years of French colonial rule and eight years of revolutionary war left Algeria in 1962 with major problems. The economic, cultural, and political life of the country had been heavily dominated by the European population of almost one million, and as they fled the country in 1962 they left Algeria with a glaring lack of government administrative personnel, managerial cadres in industry, commerce, and agriculture, skilled workers, teachers, and professionals in all fields. The country suffered several years of heavy loss in agricultural and industrial production, drastically curtailed commercial activity, and administrative chaos.

Moreover, the economic structure of French Algeria had reflected its dependence on the French metropolis: a low level of investment and growth, a low level of industrialization, concentration of productive agriculture in only 18 % of the total cultivated area heavily devoted to the production of wine for the French market, and an inordinately large and essentially parasitic commercial sector. Modern industry, agriculture, and commerce had been almost exclusively in French hands.

Among the nine million Muslim Algerians, some 75% depended on agriculture. Among these, perhaps 25,000 families owned large farms, and some 100,000 workers held steady employment on French farms; thus approximately one million rural Algerians (including dependents) could be classified as tolerably well off. This left close to six millions in rural deprivation: subsistence farming on marginally productive land totalling 30% of all arable land; seasonal migrant employment with the French colons; and heavy unemployment. Already by 1954 some 400,000 Algerians, refugees from rural poverty, worked at low-skilled jobs in France. The urban population was largely confined to menial employment in French administration, industry and commerce and to traditional crafts and small commerce, again with heavy unemployment. Illiteracy among Muslim Algerians was estimated in 1954 at 94% for men and 98% for women. A few thousand had received French university education.

Much of the potential leadership class of Algeria was eliminated during and just after the war. In addition to heavy casualties (e.g., ten of the "committee of 22" of 1954 were dead by 1962), the several dozen leading members of the Front de Libération Nationale and the Algerian Provisional Government in exile (GFRA) broke into severe factional rivalry immediately after independence. By September 1962 power was established in the hands of Ahmed Ben Bella, one of the original nine "historic chiefs" of the revolution who, however, had spent most of the war in French prisons. Ben Bella quickly eliminated the bulk of the GPRA membership from power, but the rump coalition over which he presided was a shaky one, and his three years in office were marked by a series of rivalries, challenges, and purges. Ben Bella's support was largely restricted to the labor federation (UGTA), a group of leftist intellectuals in his entourage, and the army under Col. Mouari Boumediane. As Ben Bella improvised his management of national affairs with an absence of order and planning, the elements

of his support lost their cohesion, and in June 1965 Boumediene and the army removed Ben Bella in a coup d'etat.

Boumediene's advent to the Presidency marked the final elimination from the regime of men who had played leading roles in the revolutionary war prior to its final year. Since 1965 he has governed Algeria through an elite consisting chiefly of two new elements: (1) a few men who, like himself, became officers in the National Liberation Army (ALN) during the war, the so-called Oujda Group; these have remained loyal to him since then and have cemented his grip on the post-independence Algerian army; and (2) a class of young technocrats who for the most part were still in school during the revolution.

The structure of the Boumediene regime and its policies

Boumediene has been highly successful in instilling stability into the country's politics through authoritarian means. Algeria's sole political party, the FLN, already under Ben Bella a shadow of the prestigious movement it had been during the war, became a bureaucratically organized holding operation under Boumediene, designed in reality to monopolize formal political life on behalf of the regime and forestall potentially dissident political activity rather than to serve its nominal purpose of giving policy direction to the government's operations. In December 1967 Boumediene ensured his grip on the party by placing one of his principal aides, Ahmed Kaid, in the post of Sacretary General. The last significant instances of political violence in Algeria were a rebellion a few days after Kaid's appointment led by Colonel Tahar Zbiri, which was promptly quashed by the authorities, and an attempt on Boumediene's life in April 1968. Since July 1970, when seven cabinet ministries were reshuffled, there have been no important changes in the nembership of the government.

In addition to stabilizing the nation's leadership, Boumediene's main accomplishment has been the consolidation of government control over the economy and the introduction of comprehensive economic planning, capitalizing on oil and gas revenues and aimed primarily at rapid industrialization.

The economic policies of the Ben Bella regime had been marked by considerable chaos and improvisation, much of it inevitable in the circumstances of the first few years of independence. A major preoccupation had been the reorganization of abandoned French property (biens vacants). 1,200,000 hectares of land and 1,000 industrial and commercial enterprises had been taken over in the summer of 1962 by workers! "management committees" (comités de gestion), thereby launching a revolutionary social phenomenon that was to become an ideological hallmark of Algerian socialism but an administrative and economic dilemma for the government. The 200,000 or so workers manning these farms and businesses, stimulated by the UCTA and motivated largely by a desire to retain their livelihood, were ill-equipped to manage their affairs independently, and more particularly the government's economic agencies were loath to leave the future of these important segments of the modern sector of the economy, vital for national production and finance, to chance. In a series of decrees issued in 1963 the government arranged for the coordination and supervision of the self-managed enterprises by state agencies, and saw to it that additional French properties that were progressively taken over came directly under state management rather than self-management. 15

The workers in the self-managed units found their affairs progressively more and more controlled by the government, through the medium of local Directors appointed by and responsible to the latter. However, the workers had become a relatively privileged group amidst the massive unemployment prevailing in the country; rather than running a profit, many enterprises came to depend on state

subsidies; and the UGTA exerted powerful pressures in their behalf, especially after a grass-roots revolt against the pro-government leadership in 1964 forced

Ben Bella to make renewed pledges of support for the UGTA and the self-management program in the name of socialism.

Boumediene, far more bureaucratic and authoritarian in his instincts and less committed to socialist ideology than Ben Bella, was able to reverse these trends. Within a few years he had tamed the UGTA and reshaped it as an instrument in the hands of the Ministry of Labor, while in 1967 he placed the self-managed farms directly under the authority of the Ministry of Agriculture, which reorganized them into a more rational and uniform series of farms of approximately 1,000 hectares each, self-managed in name only. Marketing, capital improvements, finances, even the payment of wages, were settled firmly into the hands of the ministry, much as was already the case with other former French farmland that passed directly under state ownership and management in 1963.

The 2.5 million hectares of formerly French lands, comprising the post1962 public sector of agriculture, represented overwhelmingly the richest
agricultural property in the country. They had generated some 55% of total
agricultural income-before independence although they comprised only 18% of
the arable land. On the other hand, these lands supported only about 11% of
the overall rural population (150,000 workers plus their families, i.e. about
one million inhabitants by the mid-1960's). An additional 11.5 million hectares
of privately owned land remained to support another eight million Algerians
with the proceeds of only 45% of total production. These figures give a
summary idea of what is a social problem of tragic proportions, one which
neither Ben Bella nor, at least until very recently, Boumediene has seriously
grappled with—Ben Bella because he could not, during the confusion that reigned
during his regime, and fourediene because his government has placed its priorities

elsewhere. The problem, of course, long produced Algerian independence: rural poverty and overpopulation was the direct consequence of French actions in the 19th century that had progressively deprived the indigenous population of choice farmland and pushed it into the marginally productive mountains and steppes of the interior, undermining in the process the social structure.

Added to these pressures were those of the 1954-62 war, when an estimated two million rural Algerians became victims of the French military device of "regroupement" and were forced off their land into Algerian equivalents of what were later to become known in Vietnam as "strategic hamlets." Coupled with the migration of another two million rural Algerians to the cities between 1959 and 1965, most of whom remained no more than marginally employed, this gives us a nucleus of one-third of the population of the country by the mid-1960's forming a destitute sub-proletariat, alongside a roughly equal number in the countryside whose agricultural livelihood was scarcely more affluent. Much of the sting of these harsh circumstances has been removed only by virtue of a growth in the migration of Algerian unskilled labor to France, now estimated at around 800,000.

In the 1967-70 economic development plan the allotment of investment to agriculture was only one-sixth what was allotted to industry; in the 1970-73 plan the ratio climbed to one-third. By 1971 Algeria was importing \$100 million a year worth of food. The expansion of cultivated land through irrigation was only marginal. Not until the 1974-77 plan was launched did the government begin to rectify this neglect: over \$2 billion was allocated to agriculture, still only one-fourth of the figure for industry but a far higher absolute sum than before. Yet it remains to be seen her much of this will find its way into the improvement of the poorest parts of the countryside, as opposed to the state and self-managed farms, and more particularly how much success the authorities

where the state with the training of

will have in coping with what are after all very intractable problems in transforming the conditions of rural life; for what is needed is not simply (or perhaps even primarily) money but qualified personnel, education, and effective means of inducing social and cultural changes in the ways of the population.

The simple fact is that ever since Boumediene's advent to power the government has made a consistent and unmistakable choice of priorities that deliberately slights the needs of agriculture and the rural population, in favor of rapid industrialization, and in favor of the urban-based programs of higher education and advanced technical training needed to staff an industrializing economy. It may be, as the government obviously hopes, that in course of time industrialization will lead to the creation of new jobs on a large scale, but in the short run—that is, for the next decade or two—employment generated by the new capital—intensive industries cannot more than very marginally alleviate the problem, especially in the context of a population growth rate of a cover three percent, among the world's highest.

In the words of one authority:

"The planners show a total disregard for the problem of unemployment. One of them argues, 'It is better to have an immediate elite of 300,000 skilled workers in strategic sectors than to lose our money making hammers and spoons.' And another claims, 'With the \$70 million that this ammonia plant has cost us, we could have employed thousands of idle men, but what would be the real benefit for our country and its agriculture?' There is little doubt that these options are realistic in the long run, because synthetic ammonia cannot be manufactured by enthusiastic peasants."16

The industrialization option, of course, has been made possible by virtue of Algeria's large petroleum production and potentially enormous natural gas production. The petroleum industry, begun mainly by French companies during the revolutionary war and continued by them thereafter under the terms of the Evian accords of 1962, progressively came under greater Algerian control with

subsequent agreements agretiated in 1955 and 1971; by the latter year Algeria acquired a majority interest in the production, refining, and transportation of her oil and a monopoly on internal distribution. Meanwhile the foreign exchange she derived from oil exports, which in 1969 stood at only \$250 million, reached \$5 billion in 1974, thanks especially to the great worldwide price increase of 1973. While her proven reserves are limited, and in 1971 it was estimated that they would suffice for only another 30 years' production at current rates, ¹⁷ the current and prospective income has already dramatically revolutionized her opportunities for investment in general national economic growth. Thus already in 1973, before most of the impact of that year's price rise had been felt, the petroleum sector accounted for over 75% of Algeria's exports, 68% of her foreign exchange earnings, and 35% of the government's budget revenues. Gross domestic product, which had risen by 10% per year from 1969 to 1972, and over 18% in 1973 alone, reached \$6 billion in the latter year.

This great spurt in capital accumulation has enabled Algerian planners to step up their investment projects correspondingly. While the 1970-73 plan was budgeted at about \$6 billion, that of 1974-77 is budgeted for no less than \$26 billion, and is scheduled to lead to a GDP figure of \$12 billion by the latter year. This will be facilitated not only by oil revenues but by those from natural gas as well, an industry that is still in its infancy but is backed by some 10% of the world's proven reserves and is expected to develop massive long-term sales to Europe and the United States, eventually overtaking petroleum as the mainspring of Algeria's development financing.

The program of industrialization, already well under way, centers naturally in the first instance around projects related to oil and gas: refining, gas

liquification, pipelines, port facilities, tankers, petrochemicals, fertilizer, synthetic rubber, artificial fibers, plastics. Three refineries are in current operation; a fourth and much larger one is planned at Skikda. Gas liquification plants at Arzew and Skikda will be supplemented by others; these and related facilities will cost at least \$6 billion in the next five to ten years. A gas pipeline, at a cost of over \$1 billion, is planned to run from the Saharan gas fields across Tunisia, the Mediterranean, and Sicily to northern Italy. An iron and steel complex near Annaba, built with Soviet assistance, is in operation and due to expand rapidly, capitalizing on substantial iron-ore deposits at Ouenza in the northeast; in addition a very large deposit of ore, estimated at 2 billion tons, is located at Tindouf near the Moroccan and Mauritanian borders, but will not go into production until the late 1970's. 19

These and subsidiary industrial developments, with the promise of an enormous leap forward in overall national prosperity, will doubtless absorb much of Algeria's energy and attention in coming decades. Several important implications are clear. On the domestic level, we can foresee a steady growth and consolidation of what have, since 1962, become Algeria's new privileged classes. Initially these could be identified as the groups who moved in to assume the functions or inherit the career opportunities left behind by the departing French: 150,000 civil servants, 120,000 soldiers, 100,000 workers on self-managed farms, 180,000 wage-earners, white-collar workers, managers and small entrepreneurs in commerce and industry; altogether some 500,000 fully employed people in modern sectors of economic and public activity representing, with their dependents, one-third of the population. Since then these numbers have of course grown somewhat, but what is equally important is the growth of small but conspicuous new groups: skilled industrial workers and university-trained managers and professionals (engineers, accountants, economists, etc.). Around these latter groups have

grown the infrastructures of government bureaucracy (still today abysmally cumbersome), the administration of state-owned enterprises (in some cases impressively efficient and well-led), a modern army, and a rapidly growing system of education, notably higher education. Despite everything that may be said of the tragic hardships suffered by the majority of the population (30% unemployment, widespread subsistence farming, the general isolation of the poor from the effects of national prosperity), it appears that Algeria is in the process of evolving a modern sector of society that is large enough, prosperous enough, educated enough, progressive enough, and secure and optimistic enough to more than offset the unsettling potential of the disadvantaged rural and urban masses and to afford the government the basic preconditions of social and political stability. 21 In the short term, i.e., for several decades perhaps, this prospect is not encouraging from the standpoint of social conscience. It does suggest, however, that the social discontent of the mass is unlikely to find effective outlets through accompanying discontent among the more privileged. At the same time it is worth considering that even if, as one author has stressed, 22 social inequality among Algerians is today much greater than before independence, and parhaps comparable to what existed between Algerians and Europeans, today's privileged do not belong to an alien and hostile culture, do not represent inherited privileges, and are by no means inaccessible through the accrual of education and social reforms. In the longer term, the Algerian planners may be right in assuming that an industrialized society will eventually find natural means of drawing vastly larger numbers into education and employment.

Another projection is less optimistic than the above. The progress of the top third of Algerian society may provide the <u>preconditions</u> for political stability, but it can hardly assure it. One wonders whether a political base of support consisting of army loyalty and an administrative infrastructure of

of technocrats can suffice forever to preclude political conflict. As a newly educated class emerges, as the army matures under a continuously replenished officer corps, as differentiated interests take shape within a newly industrialized society, and as a succession of foreign and domestic policy questions present themselves for decision, notably including vital questions of what to do about the poor, it would not be at all surprising for political factions to come into being within the regime or outside it, producing new dissidents and challengers with their own priorities and ideologies.

In foreign affairs, there seems to be no reason to expect a change in the dual pattern of contrasting symbolic and substantive behavior we have witnessed over the past decade. Algería since independence, under both Ben Bella and Bounediene, has rever ceased to take every opportunity to make militant gestures and statements about international issues in the Middle East, Africa, and the Third World: especially support for "liberation movements" everywhere--Palestine, Vietnam, Angola, Cuba, Chile, etc.--and comdemnation of policies of the western powers that detract from or conflict with these movements. At the same time, independent Algeria has conducted its foreign trade relations in a highly businesslike, if at times very harddriving, manner seemingly designed to let others understand that its commerce and its foreign policy are quite distinct matters. 23 The chief exceptions to this distinction seem to have been in its relations with France during the first decade of independence, when the Algerian insistence on liquidating vestiges of French economic privilege sanctified by the Evian Accords produced some rather flamboyant actions: nationalization of abandoned and unabandoned French properties in 1963 and the substantial nationalization of French oil

interests, after a proparatory period of muscle-flexing, in 1971. Another important exception was Algeria's participation in the Arab boycott of oil exports to the United States in the months following the October 1973 war.

Hostile gestures toward France have been tempered in the past somewhat by Algeria's racognition of her continuing dependence on French cultural, technical, and financial aid, French purchases of Algerian wine and other exports, and the acceptance in France of large numbers of Algerian labor migrants. Toward the United States Algeria has had somewhat different considerations: The US has been an important source of Algerian imports of machinery and industrial equipment, of investment capital, and of technological expertise; together with Europe, it is a very promising market for Algeria's natural gas and expert partner in developing her gas production facilities, as exemplified in the 25 year contract signed by SONATRACH, the Algerian national oil and gas company, and El Paso Natural Gas in 1969.

With the Algerian industrial revolution in full swing, close trading relations with the western world and open Algerian access to European,

Japanese, and American business experience and technical expertise is bound to continue to be vitally important to her leaders. Likewise, it may be expected that large numbers of Algerian students will go abroad—to the US, England, and Germany no less than to France—for advanced professional training. These needs should continue to moderate the Algerian practical view of the world, as symbolic and ideological clashes with individual American foreign policy actions continue.

IV. TUNISIA

Among the North African countries Tunisia has enjoyed unique advantages since becoming independent in 1956. She has been the most geographically compact, culturally advanced, socially homogenous, efficiently governed,

politically stable, and tranquil in her foreign relations. Her colonial legacy was the most benign. Her President, Habib Bourguiba, has been in office the longest and justly counts among the outstanding figures of Third World nationalism in modern times. Her ruling Destourian Socialist Party, founded by Bourguiba in 1934, is the oldest in Africa and has been exceptionally effective in its institutional vitality, broad roots in the society, and contribution to orderly government and progress. While not altogether democratic in her political processes, Tunisia has enjoyed a significant measure of openness, tolerance, and consensus, and has better prospects that her neighbors for political democratization in the future. Alone in North Africa, she is satisfied to possess only a very small and modestly equipped army. Her economy, based only on limited natural resources, has experienced ups and downs but is currently undergoing rather impressive growth.

Despite all these positive features, however, serious questions must be raised about the prospects for orderly political succession, which make Tunisia's generally favorable prospects rather precarious.

Historical background: the evolution of the Bourguiba ragine

Unlike the case in Algeria, where French colonialism had the effect of Country; modern education had already made its beginnings; and the French country; modern education had already made its beginnings; and the French country; modern education had already made its beginnings; and the French country; modern education had already made its beginnings; and the French chose to rule by discreet and indirect means through the medium of the Bey.

presence in the country, let alone in the administration, that characterized Algeria and Morocco. French settlers, though eventually significant in number—they were to reach 7% of the population before independence—acquired only a portion of the best farmland and never penetrated some important areas of the country such as the fertile and commercially prosperous Sahel belt along the central eastern coast. Under a dual Arabic and French educational system (actively discouraged in Algeria and never well developed in France's relatively brief period in Morocco), a sizeable bilingually educated Tunisian elite grow up, including several thousands who received university degrees in France well before independence. The attendant cultural and social progress was eventually to produce a new middle class of men combining the petit—bourgeois provincial background of the Sahel (such as Bourguiba himself) and the conservative, some—times aristocratic families of Tunis. 26

The Neo-Destour Party was founded in 1934 by Bourguiba and others of this social vintage, and dedicated itself not only to the proposition of a militant insistence on national independence but also to the proposition of an accompanying effort to modernize and mobilize the society through extensive grass-roots organization and political education. Despite intermittent French repression, this effort proved successful enough to ensure that in 1955, when France granted internal autonomy, and in 1956, when she granted full independence, the Neo-Destour was unchallenged within Tunisia in its claim to national leadership. At the same time it meant that the Party possessed the organization and manpower to take effective administrative control of affairs; and it meant that the challenge to Bourguiba's leadership raised in 1955 by his ex-associate Salah Ben Youssef, in the name of more uncompromising militancy and pan-Arabism,

could be beaten back, thanks to the consensual belief in the rationality and effectiveness of Bourguiba and the majority of the party.

With independence, the departure of French civil servants, farmers, and businessmen was not a headlong and panicky affair as in Algeria; the deposition of the anachronistic Bey was done quietly after a decent interval; and the Neo-Destour proceeded in a deliberate manner to establish a new constitution and administration. Bourguiba inherited heavily concentrated Presidential powers, and did not hesitate from the first to assert his authority, sometimes high-handedly but still always in the context of a basic consensus within the Party and, to some extent, of the wider society. Thus he pressed successfully for the expansion and modernization of education, the creation of public-works projects to relieve unemployment, the emancipation of women, and the dismantling of the cumbersome and unproductive system of religiously endowed (habous) lands and properties; but with less success for such religiously matters as the liberalization of observance of the Remadan fast.

Domestic politics and economic policy

Bourguiba's struggle with Ben Youssef in 1955-56 appears to have convinced him of the unacceptability of allowing any of his associates in the party to gain an autonomous following and ambition of their own. This, combined with a limitless capacity for vanity and didacticism reminiscent of General De Gaulle, led Bourguiba over the years to purge a succession of prominent figures from their positions, though occasionally rehabilitating them afterward. Thus Ahmed Ban Salah was eased out of his post as General Secretary of the Labor federation (USTT) in 1956, only to be brought back five years later as Minister of Planning; in 1969 he was again dropped from office, and this time tried for treason and jailed. Abmed Thili was likewise introduced to, then dismissed from, the leadership of the UGTT; Mabib Achour was elected, dismissed and disgraced,

then again returned. Mohammed Masmoudi was dropped from the Political Bureau of the Party in 1958 for having encouraged press criticism of the government, readmitted, dropped again in 1961, appointed Foreign Minister in 1970, then ousted in 1974 and drummed out of the Party in disgrace. Bahi Ladgham was removed from the Prime Ministry at the height of his popularity in 1970 and purged from the Political Bureau the following year; Ahmed Mestiri was ousted from the Cabinet in 1970 and from the Party in 1971. Six men, including four former ministers, were expelled from the Party in 1974 for criticizing Bourguiba's manipulation of the Party Congress.

Bourguiba was able to engineer these successive purges, and maintain his patrimonial authority over party and government, partly because of his own enormous prestige, partly because of his skill as a political tactician -- always eliminating his potential challengers one at a time while maintaining the support of others -- and partly because of the continuing availability of highly talented men to take control of governmental affairs. In addition to the excellent service he was able to obtain from most those he purged before moving against them, he has enjoyed the support of such a talented succession of others as Mongi Slim, onetime Foreign Minister; Mahmoud Massadi, onetime Minister of Education; Taieb Mehiri, Minister of Interior until his death in 1965; and Hedi Nouira, the current Prime Minister. For a small and newly independent state, Tunisia has enjoyed a truly impressive supply of Founding Fathers.

The most significant challenge Bourguiba has faced since the Ben Youssef affair arose out of the socialist-oriented economic program directed by Ahmed Pen Salah in the 1060's. Appointed in 1961 to multiple cabinet ministries with extraordinary powers, Ben Salah proceeded to draw up an ambitious ten year plan of economic development and reform based heavily on state control and initiative in industry and agriculture. The program was formally adopted

by the Party at its 1964 Congress, at which time the name of the Party was officially changed to the "Parti Socialiste Destourien" (PSD). At the heart of Ben Salah's plans was a program to develop a system of agricultural cooperatives, centered initially on the large nationalized French estates in the north of the country but drawing in the participation of Tunisian smallholders as well. Hastily conceived and overly centralized; the plan met with widespread resistance in the countryside from small landowners and landless peasants alike, who found their desires ignored and their needs misunderstood. When Ben Salah's reforming activities reached beyond the former French-dominated regions into the Sahel and threatened the status of larger Tunisian landowners, many of whom possessed personal ties in Tunis and the government, opposition to Ben Salah became more directly political. His mismanagement, which resulted in large sums having to be pumped as subsidies into an increasingly unproductive agriculture, and the failure of other portions of the development plan, led in time to Ben Salah's dismissal and imprisonment, and to an abaudonment of most of the socialist orientation he had introduced to the nation's economic policymaking.

Undoubtedly the failures were not entirely Ben Salah's fault, and it was more convenient than justified for Bourguiba to lay the blame at his feet, on the pretext that Ben Salah had falsified figures and deceived him about developments in the economy. The fact was, however, that with the failure of the development program, the Tunisian economy stagnated throughout the 1960's. National income barely kept pace with the rise in population, increases in imports and in the civil service payroll'swelled out of all proportion to exports and to domestic savings, and only a mounting volume of French and American aid kept the country's nose above water. (American aid, for

example, rose from about \$35 million to over \$100 million from 1960 to 1967; but during the same period, the proportion of debt servicing costs to export receipts climbed from 12% to 57%. 25

A period of austerity and retrenchment followed Ben Salah's departure, particularly after the conservative and cautious Hédi Nouira assumed the Premiership in 1970. With an exceptional harvest in 1972, an influx of tourists, and sudden rises in the world prices of oil and phosphate, both of which Tunisia exports on a modest scale, recovery was under way and the Tunisian economy began to grow significantly. The GNP shot upward by 17.6% in 1972; 26 the government projected an average rate of 9% annual increase during the four year plan begun in 1973. With a law passed in April 1972, the government opened the door to foreign investment in Tunisian industry, offering exemption from taxation and other incentives.

The Tunisians must be wary of congratulating themselves for this economic upturn, which has led for the first time to a favorable trade balance, an increase in foreign exchange reserves to an unprecedented level near \$400 million, and allowed the country to reduce its dependence on foreign investment this year, according to the Prime Minister, from 40% of total investment to only 12%. The rise in oil and phosphate income has derived from fortuitous price increases rather than from increased production; export of approximately 3.3 million tons of oil is expected to net \$460 million in 1970, compared with \$130 million in 1973, and from phosphates \$160 million in 1974, more than three times the 1973 total.

The cash is welcome but the payoff in domestic productivity remains uncertain, although more oil exploration and production is expected. Agricultural ups and downs in recent years have follwed the weather, but while

employing more than helf the nation's work force, agriculture has only accounted for 15 to 17% of GDP, and is not expected to improve markedly. As Premier Nouira acknowledged publicly on 13 September 1974, 40% of the population remains "on the threshold of poverty (clearly a euphemism for "deep in poverty," as conditions in the slums of Tunis or in remote villages in the hinterland would suggest); and unemployment remained at a high, though undefined, level. 30

The future of economic growth is of particular political relevance in conjuncture with the question of the eventual succession to Bourguiba, since renewed economic difficulties would undoubtedly deepen the differences among rival contenders for power. Bourguiba, who was born in 1903, has been in shaky health for the past five years, and was obliged to spend five months in a Geneva clinic in 1971, leading many to speculate that his political grip was destined to falter. He has confounded the speculators on various occasions since then, but not definitively. At Monastir in the fall of 1971 the Party Congress, acting on the premise of a speech he had given the year before urging liberalization and democratization within the regime, passed a number of resolutions amending Party procedures in a democratic direction (providing for example for the election by the Congress of the Political Bureau, a step which Bourguiba succeeded in avoiding; two recently dismissed cabinet ministers, Ladghan and Mastiri, ware elected by especially large majorities to the Central Committee. Taking this as a challenge, Bourguiba had Mestiri dismissed from the Party.

At the 1974 Congress, Bourguiba reasserted his control. He stated that in 1971 "the ideas of a large proportion of those present were based on the assumption that I was about to die and that the presidency would be vacant.

I have now come back in full strength and in very good health to be at the helm of this Congress which is to adopt resolutions to put marrors in

order. The Congress obliged him: it revoked the provision for election of the Bureau, called for a constitutional amendment enabling the Prime Minister to inherit a full unexpired Presidential term in case of vacancy (thus endorsing Bourguiba's implicit designation of Nouira as heir apparent), and re-elected Bourguiba to the presidency of the Party for life. The proceedings of the Congress, including the selection of delegates and the election of the new Central Committee, were heavily orchestrated, causing six absent Party members to protest and to be dismissed from membership for their pains. In October Bourguiba was formally re-elected as President of the Republic.

These developments leave Bourguiba and Nouira very much in charge for the time being, somewhat as the Republican National Convention and national elections of 1972 did for Richard Nixon and Spiro Agnew. Outside the confines of the Party and government, which have acquired a distinctly establishmentarian ethos, and the silent majority in the country which presumably continues to accept the existing regime without much question, the atmosphere is less complacent. Among the politicians there is now a rather sizeable band of former cabinet ministers ostracized in recent years: Ladgham, Mestiri, Ben Ammar, Sebsi, Mualla, Boulares, Masmoudi, etc. These are energetic, capable, ambitious men, not necessarily importent under future circumstances.

In addition, it must be noted that the Party is conspicuous in the growing absence of youth from its ranks, and that university students and young intellectuals have shown significant indications of disaffection in recent years, including a series of univer ty strikes and other disturbances leading in some instances to mass arrests and imprisonment on charges of sedition, communism, etc. Under Tunisia's ambitious and well financed education program since independence, university enrollments have grown very rapidly, passing

10,000 by 1970, and have been stimulated by the distribution of generous

-- by Tunisian standards even lavish -- scholarships. (Thus in 1971 60% of
all university students held scholarships, which ranged between 350 and 450
dinars (\$700 to \$900), i.e. two to three times the national per capita income.)

Much of the student unrest has seemingly been attributable to malaise over
career prospects in a stagnant economy; some of it also to growing perceptions
among students of the regime as a reflection of self-satisfied, stand-pat
interests in the society. The question today is thus whether the economic
upswing can be maintained, and translated into an expanding employment market
for graduates as has been the case in Algeria; or whether the PSD and the
government, at least after Bourguiba's departure, can recapture its old aura
of reformist vigor; or both.

Foreign policy

In foreign affairs in the years following independence Bourguiba was able to walk a tightrope. He gave strong support to the Algerian independence struggle, nationalized French landed properties in 1963, prompted a bloody confrontation with France in 1961 over the continued operation of the Bizerte naval base, yet for the most part kept the diplomatic door open to Paris and maintained a flow of French economic and technical assistance which Tunisia vitally needed.

Bourguiba maintained close relations with the United States, which had the effect of moderating the French response to his challenges and of providing an important secondary source of foreign aid. He refused to accept Nasser's leadership and Egyptian hegemony within the Arab League, and angered several radical Arab governments with his call in 1965 for a negotiated settlement with Israel, but he rode out the storm and managed by the 1970's to acquire

a positive, if belated, reputation for fundamental loyalty to Arab national causes, including Palestine. Meanwhile he managed to maintain smooth relations with both Algeria and Libya, two revolutionary neighbors who could have proved immensely troublesome.

Bourguiba's success was due in part to the failures of his old enemy Masser, in part to the internal preoccupations and more pragmatic attitudes of the Algerians after the Bounediene coup in 1965, and in part to the strength of his own domestic position within Tunisia. His steadfast pro-Americanism and his predominantly friendly relations with France, not to mention his moderate and rationalistic approach to the question of Israel, were not particularly popular in the Arab world at large nor perhaps even within Tunisia, but they eventually won acceptance.

Beginning with the appointment of Mohammed Masmoudi as Foreign Minister in 1970, Tunisian foreign policy took on a new coloration that provided extra insurance. Masmoudi conducted a vigorous campaign of fence-mending with the more leftist-oriented Arab and African states and with the communist countrils, without sacrificing good relations with the French, the Americans, or most of the Arab and African conservatives. This campaign took the form of a constant round of diplomatic visits and the negotiation of commercial and cultural agraements, plus symbolic pronouncements in behalf of the Falestinians, national liberation movements, etc. Bourguiba went out of his way in 1973 to suggest that King Mussain of Jordan should step aside in favor of the Palestine Liberation Organization, prompting Jordan to break diplomatic relations (later restored). Likewise in 1972 Tunisia voted in favor of the ouster of Sationalist China from the United Nations in favor of Peking, thereby inviting the official displeasure of the United States though without sacricing the aid program.

Masmoudi's campaign came to a head in bizarre episode of the Tunisian-Libyan unity agreement of February 1974, which the ailing Bourguiba signed with the encouragement of Masmoudi at a hastily organized meeting with President Oaddafi. Premier Nouira hastily returned from a visit abroad and persuaded Bourguiba to dismiss Masmoudi and allow the unity pact to lapse; and Masmoudi wound up in exile and disgraced, claiming that he had been punished for an excess of pan-Arab loyalty and for a critical attitude toward the United States. Bourguiba returned for a time to his clinic in Geneva.

The Libyan venture was clearly an aberration on Bourguiba's part, and was explained away in succeeding months. There seems to be little likelihood for the foreseeable future that this or any other unity agreement will regain Tunisian interest, even under a very different regime; for Tunisia is too distinctive historically, socially, and economically from its neighbors to anake this an easy proposition. Still, much will depend on economic circumstances deepening difficulties in Tunisia could make the idea more plausible, because more urgent, that Tunisian manpower and Libyan capital were natural partners.

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FOOTNOTES

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- 3. See on this point John Waterbury, The Commander of the Faithful: the

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- 4. Abdel Aziz Belal, L'investissement au Maroc (Paris, Mouton, 1968), pp. 314-316.
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- 8. Damis, p. 33.
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- 10. U.S. Department of Commerce, Overseas Business Reports 74-47: Marketing in Morocco (October 1974), p. 2.
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